VZCZCXRO0617 RR RUEHMA RUEHPA DE RUEHOS #0265 2000830 ZNR UUUUU ZZH R 180830Z JUL 08 FM AMCONSUL LAGOS TO RUEHC/SECSTATE WASHDC 0025 INFO RUEHZK/ECOWAS COLLECTIVE RUEHUJA/AMEMBASSY ABUJA 9711 RUEHYD/AMEMBASSY YAOUNDE 0148 RHEHNSC/NSC WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUEATRS/DEPT OF TREASURY WASHDC RHEBAAA/DEPT OF ENERGY WASHDC RUEAIIA/CIA WASHINGTON DC RHEFDIA/DIA WASHINGTON DC RUEOMFD/HQ USEUCOM VAIHINGEN GE RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS LAGOS 000265

SIPDIS

STATE PASS FAA TO AHARRIS, TRANSPORTATION TO FAA; STATE PLEASE PASS TO OPIC; DAKAR PLEASE PASS TO FAA REP MOIRA KEANE; ROME PLEASE PASS TO TSA REP JOHN HALINSKI; STATE PLEASE PASS TO COMMERCE KBURRESS

E.O. 12958: N/A

TAGS: EAIR EINV PREL NI

SUBJECT: NIGERIA: DYNCORP AIRPORT PROJECT IN TERMINATION

REF: A) LAGOS 00208

- 11. (SBU) Summary: John Borden, project manager, told PolOff June 22 that Dyncorp employees left the Akwa Ibom (AI) airport site June 22, giving notice to the AI State government of project termination effective June 23. Dyncorp has been working under a contract to construct an international airport and maintenance, repair and overhaul (MRO) facility since November 2005. The Akwa Ibom State government is refusing to allow the personal belongings DynCorp employees left behind to be shipped out of the country; DynCorp has asked Mission for a letter in support of its request to ship the items. End Summary.
- ¶2. (SBU) DynCorp reported being under surveillance by AI officials and by their own employees, who had been told to report any suspicious activity to the State government. At least one person had been stationed outside their residential compound to report on their movements. One person noticed a Dyncorp expatriate packing a box, and reported it, Borden claimed, which tipped off the State government, and led to DynCorp executives' clandestine departure from Nigeria. (Reftel) The AI government has rejected the DynCorp termination letter, and subcontractors continue work under the AI government's supervision. Governor Akpabio, in London for meetings, called for a project update, Borden said, confirming their suspicions of being under surveillance. Borden told PolOff in a June 27 email that state government officials are refusing to allow the remaining DynCorp expatriate employee still in country, an Italian, to ship personal belongings of the departed American Dyncorp employees out of Nigeria. DynCorp has asked Mission for a letter in support of its request to ship the items.

AI Continues Work on Project

13. (SBU) Borden told PolOff in a July 7 email that Governor Akpabio has rejected the termination letter delivered to his office on June 23, and has requested a meeting with DynCorp. All subcontractors are still working under the Airport Implementation Committee's supervision and oversight, ignoring DynCorp's directions to suspend work, Borden said. He has learned the state intends to issue new subcontracts to

- all current DynCorp subcontractors. DynCorp had been given notice that the Governor would hold a press conference in Abuja about the project, but no such press conference has been held. Borden speculates that this indicates AI does not yet want to sever its ties with DynCorp.
- 14. (SBU) If the AI government asks DynCorp to return to work, the company would propose that DynCorp act as project managers, working directly for and reporting directly to the Governor. However, as a prerequisite for returning to work DynCorp would ask that a number of conditions be met, including a waiver of all claims associated with DynCorp's performance to date.
- ¶5. (SBU) Comment: In light of the continuing unresolved issues in the relationship between DynCorp and the AI government, it is hard to tell whether Borden's premise that the state government may want them to continue the project is realistic. We will continue to monitor sanctity of contract issues related to Dyncorp and requeste that it provide Mission with a copy of the termination letter given to the Akwa Ibom government. End comment.
- $\P6.$ (U) This cable has been cleared by Embassy Abuja. BLAIR